



JENTAYU SUSTAINABLES BERHAD GROUP

(formerly known as IPMUDA BERHAD)

Company No. 197501000834 (22146-T)

(Incorporated in Malaysia)

QUARTERLY REPORT

FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2022

JENTAYU SUSTAINABLES BERHAD (formerly known as IPMUDA BERHAD)

Company No. (197501000834 (22146-T))

(Incorporated in Malaysia)

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2022**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	CURRENT QUARTER		CUMULATIVE QUARTER	
	30/09/2022	30/09/2021	30/09/2022	30/09/2021
	RM'000	RM'000	RM'000	RM'000
Revenue	6,100	6,117	6,100	6,117
Cost of sales	(4,175)	(5,482)	(4,175)	(5,482)
Gross profit	1,925	635	1,925	635
Other income	93	284	93	284
Finance income	99	283	99	283
Administration expense	(6,439)	(3,641)	(6,439)	(3,641)
Distribution expense	(229)	(826)	(229)	(826)
Other expenses	(395)	(262)	(395)	(262)
Impairment gain on financial assets	579	1,374	579	1,374
Gain on disposal of investment property	16,223	-	16,223	-
Finance costs	(466)	(490)	(466)	(490)
Profit/(loss) before taxation	11,390	(2,643)	11,390	(2,643)
Taxation	-	1	-	1
Profit/(loss) after tax for the period	11,390	(2,642)	11,390	(2,642)
Other comprehensive income				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Fair value changes of other investments	-	-	-	-
Available for sale financial assets	-	-	-	-
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income/(loss)	11,390	(2,642)	11,390	(2,642)
Total comprehensive income/(loss) for the period attributable to:				
Shareholders of the Company	11,122	(2,641)	11,122	(2,641)
Non-controlling interests	268	(1)	268	(1)
	11,390	(2,642)	11,390	(2,642)
Basic profit/(loss) for the period per ordinary share (sen)	3.37	(2.60)	3.37	(2.60)

The Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited Annual Financial Statements for the financial year ended 30 June 2022.

JENTAYU SUSTAINABLES BERHAD (formerly known as IPMUDA BERHAD)

Company No. (197501000834 (22146-T))

(Incorporated in Malaysia)

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2022**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	AS AT END OF QUARTER ENDED 30/09/2022 <i>Unaudited</i> <i>RM'000</i>	AS AT PRECEDING FINANCIAL YEAR ENDED 30/06/2022 <i>Audited</i> <i>RM'000</i>
ASSETS		
Property, plant and equipment	40,159	20,877
Right-of-use assets	10,705	11,010
Land held for property development	9,818	9,818
Investment properties	51,970	51,970
Other investments	394	599
Goodwill	11,100	11,100
Total non-current assets	124,147	105,375
Inventories	5,242	4,782
Contract assets	6,240	6,259
Trade receivables	6,810	3,882
Other Receivables	19,172	22,296
Amount due from associate	12	12
Tax recoverable	492	483
Cash and cash equivalents	5,658	2,671
Total current assets	43,625	40,386
Assets classified as held for sale	-	1,601
TOTAL ASSETS	167,772	147,362
EQUITY AND LIABILITIES		
Equity		
Share capital	150,969	135,969
Retained earnings/(accumulated losses)	(39,402)	(50,523)
Fair value reserve	51	51
Equity attributable to shareholders of the Company	111,619	85,497
Non-controlling interests	(298)	(567)
Total equity	111,321	84,931
Deferred tax liabilities	2,427	2,427
Borrowings	12,047	12,047
Lease liabilities	11,406	11,406
Total non-current liabilities	25,880	25,880
Trade payables	7,462	7,638
Other payables	14,587	20,320
Contract liabilities	1,080	1,266
Borrowings	6,905	6,642
Lease liabilities	500	644
Tax payable	37	41
Total current liabilities	30,571	36,551
TOTAL LIABILITIES	56,451	62,431
TOTAL EQUITY AND LIABILITIES	167,772	147,362
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.32	0.26

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited Annual Financial Statements for the financial year ended 30 June 2022.

JENTAYU SUSTAINABLES BERHAD (formerly known as IPMUDA BERHAD)

Company No. (197501000834 (22146-T))
(Incorporated in Malaysia)

QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2022

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to shareholders of the Company			Total	Non-Controlling Interests	Total Equity
	Non-distributable	Distributable				
	Share Capital	Other Reserves	Retained Profits			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cumulative quarter ended 30 September 2022						
At 1 July 2022	135,969	51	(50,522)	85,498	(567)	84,931
Issuance of Ordinary Shares pursuant to Private Placement	15,000	-	-	15,000	-	15,000
Total transactions with shareholders	15,000	-	-	15,000	-	15,000
Profit for the financial period	-	-	11,121	11,121	268	11,389
Other comprehensive income for the financial period	-	-	-	-	-	-
Total comprehensive income for the financial period	-	-	11,121	11,121	268	11,389
At 30 September 2022	150,969	51	(39,401)	111,619	(298)	111,320
Period ended						
Financial year ended 30 June 2022 (Audited)						
At 1 July 2021	94,777	(38)	(49,177)	45,562	(270)	45,292
Issuance of ordinary shares pursuant to rights issue	30,437	-	-	30,437	-	30,437
Issuance of ordinary shares pursuant to acquisition of subsidiary	10,755	-	-	10,755	-	10,755
Dividend paid	-	-	(30,437)	(30,437)	-	(30,437)
Total transactions with shareholders	41,192	-	(30,437)	10,755	-	10,755
Profit/(Loss) for the financial year	-	-	29,092	29,092	(297)	28,795
Other comprehensive income for the financial year	-	89	-	89	-	89
Total comprehensive income/(loss) for the financial year	-	89	29,092	29,181	(297)	28,884
At 30 June 2022 (Audited)	135,969	51	(50,522)	85,498	(567)	84,931

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	1/7/2022 to 30/09/2022	1/7/2021 to 30/09/2021
	<i>RM'000</i>	<i>RM'000</i>
Cash flows from operating activities		
Profit / (loss) before tax	11,390	(2,643)
Adjustments for:-		
Non-cash items	(1,156)	(996)
Non-operating items	(15,858)	(390)
Operating loss before working capital changes	<u>(5,625)</u>	<u>(4,030)</u>
Net change in current assets	(449)	(374)
Net change in current liabilities	4,775	(1,032)
Cash flows (used in)/ generated from operations	<u>(1,299)</u>	<u>(5,436)</u>
Interest paid	(365)	-
Tax paid	(165)	(9)
Net cash (used in)/generated from operating activities	<u>(1,828)</u>	<u>(5,445)</u>
Cash flows from investing activities		
Property, plant & equipment	(1,165)	(663)
Net cash used in investing activities	<u>(1,165)</u>	<u>(663)</u>
Cash flows for financing activities		
Issuance of shares	13,592	-
Interest paid	(464)	-
Repayment of lease liabilities	(12)	-
Term financing/loan	(7,400)	5,048
Hire purchase financing	-	522
Short term bank borrowings	-	(502)
Net cash generated from financing activities	<u>5,716</u>	<u>5,068</u>
Net increase/(decrease) in cash and cash equivalents	2,723	(1,040)
Cash and cash equivalents at beginning of financial year	(3,970)	3,366
Cash and cash equivalents at end of financial year	<u>(1,247)</u>	<u>2,326</u>

Cash and cash equivalent at the end of the financial year comprise of:

	30/09/2022	30/09/2021
	<i>RM'000</i>	<i>RM'000</i>
Cash and bank balances	5,658	4,145
Bank overdrafts	(6,905)	(1,819)
	<u>(1,247)</u>	<u>2,326</u>

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited Annual Financial Statements for the financial year ended 30 June 2022.

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134**A1. BASIS OF PREPARATION**

The quarterly report has been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The quarterly report should be read in conjunction with the unaudited financial statements of the Group for the financial year ended 30 June 2022 and the explanatory notes attached to the quarterly report.

A2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the audited financial statements of the Group for the year ended 30 June 2022.

Adoption of new standards/amendments/improvements to MFRSs

At the beginning of the current financial year, the Group adopted new standards/amendments/ improvements to MFRSs which are mandatory for the current financial period.

Initial application of the new standards/amendments/improvements to MFRSs did not have material impact to the financial performance or position of the Group.

Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intend to adopt these new and amended standards and interpretations, if applicable, when they become effective.

MFRSs and amendments to MFRSs effective for annual periods beginning on or after 1 January 2022

- *Amendments to MFRS 3, Business combinations: Reference to the conceptual framework*
- *Amendments to MFRS 116, Property, plant and equipment: Proceeds before intended use*
- *Amendments to MFRS 137, Provisions, contingent liabilities and contingent assets: Onerous contracts - cost of fulfilling a contract*
- *Annual improvements to MFRS Standards 2018 - 2020*

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (continued)

A2. SIGNIFICANT ACCOUNTING POLICIES (continued)

MFRSs and amendments to MFRSs effective for annual periods beginning on or after 1 January 2023

- *Amendments to MFRS 101, Presentation of financial statements: Classification of liabilities as current or non-current*
- *Amendments to MFRS 101, Presentation of financial statements: Disclosure of accounting policies*
- *Amendments to MFRS 108, Accounting policies, changes in accounting estimates and errors: Definition of accounting estimates*
- *Amendments to MFRS 112, Income taxes: Deferred tax related to assets and liabilities arising from a single transaction*

Amendments to MFRSs - effective date deferred indefinitely

- *Amendments to MFRS 10 and 128, Consolidated financial statements and investments in associates and joint venture: Sale or Contribution of assets between an investor and its associate or joint venture*

The initial application of the above standards, amendments, and interpretations are not expected to have any material financial impact to the financial statements of the Group upon its first adoption.

A3. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The audit report of the most recent annual financial statements was not subject to any qualification.

A4. SEASONAL OR CYCLICAL FACTORS

There was no major seasonality or cyclicity in the Group's operations.

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (continued)**A5. MATERIAL CHANGES IN ESTIMATES**

There were no changes in estimates of amounts reported in prior financial year that have a material effect in the current interim period.

A6. DEBT AND EQUITY SECURITIES

There was no other share buy backs, share cancellations, shares held as treasury shares and resale of treasury shares for the quarter under review.

A7. DIVIDENDS PAID

No dividend has been proposed for the period ended 30 September 2022.

A8. SEGMENTAL REPORTING

Segment information for the first quarter ended 30 September 2022 is as follows: -

Q1, 30 September 2022

	Renewable		Property		Others RM'000	Total RM'000
	Trading RM'000	Energy RM'000	Development RM'000	Healthcare RM'000		
Revenue	3,393	(35)	162	2,580	-	6,100
Gross Profit	477	2	162	1,284	-	1,925
Other income	18,062	-	2	87	-	18,151
Operating expenses	(5,770)	(394)	(249)	(1,363)	(444)	(8,220)
Earnings/(loss) before interest and tax	12,769	(392)	(85)	8	(444)	11,856
Financial expense	(332)	-	-	(134)	-	(466)
Profit/(loss) before tax	12,437	(392)	(85)	(126)	(444)	11,390
Tax expense	-	-	-	-	-	-
Profit after tax	12,437	(392)	(85)	(126)	(444)	11,390

Segment information for the first quarter ended 30 September 2021 is as follows: -

	Renewable		Property		Others RM'000	Total RM'000
	Trading RM'000	Energy RM'000	Development RM'000	Healthcare RM'000		
Revenue	4,518	1,419	180	-	-	6,117
Gross Profit	580	9	46	-	-	635
Other income	282	-	1	-	-	283
Operating expenses	(2,976)	(35)	-	-	(60)	(3,117)
Earnings/(loss) before interest and tax	(2,114)	(26)	47	-	(60)	(2,153)
Financial expense	(490)	-	-	-	-	(490)
Profit/(loss) before tax	(2,604)	(26)	47	-	(60)	(2,643)
Tax expense	-	-	-	-	1	1
Profit after tax	(2,604)	(26)	47	-	(59)	(2,642)

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134 (continued)

A9. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, other than freehold land are stated at cost less accumulated depreciation and any impairment losses. Freehold land is stated at cost less any impairment losses and is not depreciated.

A10. MATERIAL SIGNIFICANT EVENTS AND SUBSEQUENT EVENTS

There was no material event subsequent to the end of the quarter under review that has not been reflected in these condensed financial statements.

A11. CHANGES IN COMPOSITION OF THE GROUP

There was no change in composition of the Group as at the date of the report.

A12. CAPITAL COMMITMENTS

There was no material capital commitment for the current quarter under review except for Proposed Acquisition of Solar Asset and Proposed Acquisition of Hydro Asset.

A13. CONTINGENT LIABILITIES

There was no material contingent liability for the current quarter under review.

(The rest of the page is left intentionally blank)

**PART B – EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD****B1. REVIEW OF GROUP PERFORMANCE***in RM'000*

	CURRENT QUARTER ENDED	
	30/09/2022	30/09/2021
Revenue	6,100	6,117
Profit/(loss) after tax	11,390	(2,642)

in RM'000

	AS AT END OF QUARTER ENDED 30/09/2022	AS AT PRECEDING FINANCIAL YEAR ENDED 30/06/2022
Total assets	167,772	147,362
Shareholders' equity	111,621	85,497
Gearing ratio	15%	18%

Current Quarter and Financial Year

The Group recorded a total revenue of RM6.10 million, a slight decrease of RM0.02 million, compared to the corresponding quarter of the preceding year ("Q1FY22") of RM6.12 million. The main contributing factor was the revenue generated from trading business activities.

The Group registered a profit after tax ("PAT") of RM11.39 million compared a loss after tax ("LAT") of RM2.64 million in the same quarter last year, Q1FY22 mainly due to the gain on the disposal of investment property of RM16.22 million.

The Group's shareholders' equity increased, resulting from the completion of the first tranche of the private placement amounting to RM15 million. Total assets have increased by RM20.41 million mainly due to capitalisation of project development cost which is recognised as Work-in-Progress for Project Oriole.

Comparison with Preceding Quarter's Result

The Group revenue was lower by RM 12.25 million as compared to preceding quarter ("Q4FY22") due to lower progress billings generated from the Coara Marang Project due to the delay in the last milestone of the project's completion.

B2. CURRENT YEAR PROSPECTS

In the Economic Outlook 2023, the Ministry of Finance has indicated that the full year's economic growth is estimated to be between 6.5% and 7.0% for 2022.

**PART B – EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD (continued)****B2. CURRENT YEAR PROSPECTS (continued)**

Malaysia's economy grew by 8.9% in the second quarter of 2022, exceeding the 5.0% recorded in the first quarter of 2022. This encouraging development was attributable to, among others, an expansionary fiscal policy through Budget 2022, positive spill over from the assistance and economic stimulus packages and Budget 2021, as well as monetary policy which remained accommodative.

The recently unveiled Budget 2023 is an expansionary one which continues the momentum of the previous year's Budget.

The Economic Outlook 2023 forecasts the economy to moderate to between 4.0% to 5.0% in 2023. The World Bank, in its recent October 2022 East Asia and The Pacific Economic Update forecasts Malaysia's 2023 GDP at 4.2%.

The Group is still in its transformation journey from solely being the premier supplier of customised building materials and solutions to a sustainable high-performing diversified organisation, involved in key growth sectors namely sustainable energy and healthcare. The Group is expanding its stable of assets and operations and therefore have yet to experience growth equivalent to Malaysia's economy.

The Group is committed to contribute to this nation's sustainable growth towards significant energy breakthroughs. While the Group continues to pursue other sustainable energy opportunities in the region, the Group continues to learn, explore, and forge new partnerships to realise adjacent businesses such as solar rooftop, battery energy storage system ("BESS"), cogeneration system and carbon base products and services.

** Source: Ministry of Finance Malaysia portal, Press Release 11 February 2022, Fourth Quarter 2021 GDP Performance: Positive Growth Is Clear Indicator That Malaysia's Economic Recovery Is On Track.' and Press Release 12 August 2022, '2Q 2022 GDP Growth at 8.9%: Government Policies to Restore and Stimulate the Economy Impactful and Effective. Ministry of Finance Economic Outlook 2023, released 7 October 2022.*

B3. VARIANCES FROM PROFIT FORECAST AND PROFIT GUARANTEE

The Company did not make a profit forecast and therefore comments on variances with forecast profit are not applicable.

**PART B – EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD (continued)****B4. PROFIT/(LOSS) BEFORE TAX**

The profit/(loss) before tax is stated after charging/(crediting):

	CURRENT QUARTER		CUMULATIVE QUARTER	
	30/9/2022	30/9/2021	30/9/2022	30/9/2021
	RM'000	RM'000	RM'000	RM'000
Interest income	(99)	(283)	(99)	(283)
Other income	(93)	(284)	(93)	(284)
Interest expense	466	490	466	490
Depreciation and amortisation	395	262	395	262
Gain on fair value of investment	-	26	-	26
Gain on disposal of investment property	(16,223)	-	(16,223)	-
Inventories written down	-	89	-	89
Net gain on impairment of trade receivables	(579)	(1,374)	(579)	(1,374)

B5. TAXATION

Tax comprises the following:

	CURRENT QUARTER		CUMULATIVE QUARTER	
	30/9/2022	30/9/2021	30/9/2022	30/9/2021
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax:				
Prior years	-	1	-	1
Total taxation	-	1	-	1

Corporate tax was provided for non-business source for the quarter under review.

B6. PURCHASE OR DISPOSAL OF QUOTED SECURITIES

There was no purchase or disposal of quoted securities for the current quarter under review.

B7. STATUS OF CORPORATE PROPOSALS**A. Ongoing Corporate Proposals**

Save for the following, there were no other corporate proposals announced as at the date of this announcement.

- a. On 22 September 2021, the Company has entered into the following share sales agreement in relation to the Proposed Acquisition of Solar Asset and Proposed Acquisition of Hydro Asset:

**PART B – EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD (continued)****B7. STATUS OF CORPORATE PROPOSALS (continued)****A. Ongoing Corporate Proposals (continued)**

- i. one (1) SSA with Jentayu Capital Sdn. Bhd. and Seri Panglima Sdn. Bhd. for the acquisition of 3,000,000 ordinary shares representing the entire equity interest in Jentayu Solar Sdn. Bhd. for a total purchase consideration of RM11,107,050 to be satisfied via issuance of new Jentayu Sustainable Shares in relation to the Proposed Acquisition of Solar Asset; one (1) SSA with Kasa Tuah Resources Sdn. Bhd. and Borneo Sustainable Energy Sdn. Bhd. for the acquisition of 200 ordinary shares representing the entire equity interest in Senja Optima, by acquiring 50% equity interest from Kasa Tuah Resources Sdn. Bhd. and Borneo Sustainable Energy Sdn. Bhd. respectively, for a total purchase consideration of RM44,600,200 to be satisfied via cash consideration of RM5,464,000 and issuance of new Jentayu Sustainable Shares amounting to RM39,136,200 in relation to the Proposed Acquisition of Hydro Asset.
- ii. one (1) SSA with Jentayu Capital Sdn. Bhd. for the acquisition of 60,000,000 redeemable preference shares representing 100% issued and paid-up preference shares in Telekosang Hydro One Sdn. Bhd. and 40,000,000 redeemable preference shares representing 100% issued and paid-up preference shares in Telekosang Hydro Two Sdn. Bhd. for a total purchase consideration of RM93,600,000 to be satisfied via cash consideration of RM7,488,000 and issuance of new Ipmuda Shares amounting to RM86,112,000 in relation to the Proposed Acquisition of Hydro Asset.
- iii. one (1) SSA with Jentayu Capital Sdn. Bhd. for 100% of the Junior Bonds in Telekosang Hydro One Sdn. Bhd. for a total purchase consideration of RM38,100,000 to be satisfied via cash consideration of RM3,048,000 and issuance of new Ipmuda Shares amounting to RM35,052,000 in relation to the Proposed Acquisition of Hydro Asset.
- iv. On 1 April 2022, the Company announced that Jentayu Sustainable and the respective vendors for the Proposed Acquisitions have mutually agreed to extend the Solar SSA CP Fulfilment Date, Hydro SSA 1 CP Fulfilment Date, Hydro SSA 2 CP Fulfilment Date and Hydro SSA 3 CP Fulfilment Date until 30 September 2022 to enable the Parties to satisfy the conditions precedent as stipulated in the respective SSAs in relation to the Proposed Acquisitions.

**PART B – EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD (continued)****B7. STATUS OF CORPORATE PROPOSALS (continued)****A. Ongoing Corporate Proposals (continued)**

- v. On 3 October 2022, it was announced that the Company and the respective vendors for the Proposed Acquisitions have mutually agreed to extend the Solar SSA CP Fulfilment Date, Hydro SSA 1 CP Fulfilment Date, Hydro SSA 2 CP Fulfilment Date and Hydro SSA 3 CP Fulfilment Date until 31 March 2023 to enable the Parties to satisfy the conditions precedent as stipulated in the respective SSAs in relation to the Proposed Acquisitions.
- vi. On 7 November 2022, it was announced that Telekomang Hydro One Sdn Bhd has reached its initial operation date (“IOD”) on 5 November 2022 for generating and supplying electricity to Sabah’s power grid system.
- b. On 12 April 2022, the Company announced that Jentayu Sustainable has, on 7 April 2022, entered into a conditional sale and purchase agreement with Beacon ACM Sdn Bhd for the disposal of a parcel of leasehold property located within Bandar Petaling Jaya, Selangor Darul Ehsan held under HSD 164275 Lot PT 6 Seksyen 28, Bandar Petaling Jaya, Daerah Petaling, Selangor and bearing the postal address of No. 6, Jalan Penchala, Section 51, 46050 Petaling Jaya, Selangor Darul Ehsan has a titled land area of 8,093.9125 square metres (87,125 square feet) together with the buildings erected thereon for a cash consideration of RM19,995,000. On 27 July 2022, shareholders at the Extraordinary General Meeting approved the disposal of the property.

Purpose	Proposed Utilisation <i>RM'000</i>	Actual Utilisation <i>RM'000</i>
i) Estimated expenses related to the Disposal	2,323	2,323
ii) Working capital (include financing of renewable energy projects)	17,672	17,672
Total	19,995	19,995

The utilisation of proceeds as disclosed above should be read in conjunction with the announcement made by the Company dated 8 April 2022, 12 April 2022 and circular dated 12 July 2022. On 11 October 2022 the Company announced the completion of the disposal.

**PART B – EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD (continued)****B7. STATUS OF CORPORATE PROPOSALS (continued)****A. Ongoing Corporate Proposals (continued)**

- c. On 18 May 2022, the Company announced that Ipmuda Properties Sdn Bhd (“IPSB”) (a wholly owned subsidiary of Ipmuda Buildermart Sdn Bhd which is in turn a 100% owned subsidiary of Jentayu Sustainables Bhd) has, on 18 May 2022 entered into a joint venture agreement Encorp Development Sdn Bhd (“EDSB”) to jointly develop a piece of land held under Master Title Town Lease 017549665, Located at Bukit Kepayan, Kota Kinabalu, Sabah, measuring approximately 1.60 acres is planned to develop one block of ten (10) storey condominium (166 units) with six (6) storey of carpark, commercial facilities, convenience stores and laundry room. EDSB is a wholly owned subsidiary of Encorp Berhad.
- d. On 14 June 2022, the Company announced a proposed private placement of up to 142,627,665 new ordinary shares in Jentayu Sustainables, representing not more than 30% of the total number of issued Jentayu Sustainables shares to third party investor(s) to be identified at a later date. The proposed private placement has been approved by shareholders at the Company’s Extraordinary General Meeting held on 27 July 2022.

Utilisation of proceeds	Indicative amount of utilisation		Intended timeframe for utilisation
	RM'000		
	Min.	Max.	
(i) Partially finance the pre-development expenditures for the Project Oriole	20,000	31,000	Within 12 months
(ii) Future viable investment in renewable energy projects	4,000	8,000	Within 12 months
(iii) Working Capital	13,358	17,077	Within 3 months
(iv) Expansion of healthcare division	1,000	1,000	Within 6 months
(v) Estimated expenses in relation to the private placement	1,400	1,400	Within 3 months
Total estimated proceeds	39,758	58,477	

The utilisation of proceeds as disclosed above should be read in conjunction with the announcement made by the Company dated 14 June 2022, 17 June 2022, 30 June 2022 and circular dated 12 July 2022. On 8 September 2022, the Company announced that first tranche of the approved private placement shares amounting to 10,000,000 shares, representing 10% of the total number of issued shares. The shares were successfully listed on 9 September 2022.

**PART B – EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD (continued)****B7. STATUS OF CORPORATE PROPOSALS (continued)****A. Ongoing Corporate Proposals (continued)**

- e. On 29 September 2022, the Company announced that it has entered into a Shareholders Agreement with Petrolife Aero Sdn Bhd (“Petrolife”) for the purpose of forming a strategic alliance for the development of Solar Photovoltaic under the Net Energy Metering Schemes. The Company will hold a 51% equity interest and the remaining will be owned by Petrolife. This alliance is expected to pave the way for future collaborations between Jentayu Sustainables and Petrolife.
- f. On 7 October 2022, in a statement issued by Jentayu Sustainables Berhad, it was announced that the Company has secured a solar power purchase agreement worth RM5M under a self-consumption scheme with Outspan Malaysia Sdn Bhd (“Outspan”). Outspan is a subsidiary of Olam International Ltd headquartered in Singapore. The agreement is for a 20-year contract tenure to supply electricity at a pre-agreed tariff.
- g. On 10 November 2022, in a statement issued by Jentayu Sustainables Berhad, it was announced that the Company has on 8 November 2022, entered into a Collaboration Agreement with Voith Hydro Holding GmbH & CO. KG to facilitate technical and technology support for the construction, commissioning, operation and maintenance of the hydroelectric power plants developed by the Company.

B8. GROUP BORROWINGS AND DEBT SECURITIES

The Group borrowings and debt securities which are denominated in Ringgit Malaysia as at 30 September 2022 are as below:

	As at 30/09/2022 RM'000	As at 30/06/2022 RM'000
Secured	6,905	6,642
Total short term borrowings	6,905	6,642
Secured	12,047	12,047
Total long term borrowings	12,047	12,047
Total borrowings	18,952	18,689

B9. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There was no off-balance sheet financial instrument as at the date of this report.

**PART B – EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD (continued)****B10. EARNINGS PER SHARE**

The basic earnings per share for the financial year have been calculated by dividing the Group's profit/(losses) by the weighted average number of ordinary shares issued.

	CURRENT QUARTER		CUMULATIVE QUARTER	
	30/9/2022	30/9/2021	30/9/2022	30/9/2021
Profit/(Loss) attributable to shareholders of the Company (RM'000)	11,122	(2,641)	11,122	(2,641)
Weighted average number of shares outstanding ('000)	330,414	101,457	330,414	101,457
Basic profit/(loss) per share (sen)	3.37	(2.60)	3.37	(2.60)

BY ORDER OF THE BOARD
Chen Bee Ling
Nurly Salmi Binti Ruhaiza
Secretaries

Kuala Lumpur
22 November 2022